

92D CONGRESS
2D SESSION

S. 3726

[Report No. 92-890]

IN THE SENATE OF THE UNITED STATES

JUNE 19, 1972

Mr. MONDALE, from the Committee on Banking, Housing and Urban Affairs, reported the following bill; which was read twice and ordered to be placed on the calendar

A BILL

To extend and amend the Export Administration Act of 1969 to afford more equal export opportunity, to establish a Council on International Economic Policy, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—AMENDMENTS TO THE EXPORT

ADMINISTRATION ACT OF 1969

SEC. 101. This title may be cited as the “Equal Export Opportunity Act”.

SEC. 102. Section 2 (3) of the Export Administration Act of 1969 is amended by inserting before the period at the end thereof a comma and the following: “particularly when export restrictions applied by the United States are

1 more extensive than export restrictions imposed by coun-
2 tries with which the United States has defense treaty com-
3 mitments”.

4 SEC. 103. Section 3 of the Export Administration Act
5 of 1969 is amended by adding at the end thereof the
6 following:

7 “(6) It is the policy of the United States that the de-
8 sirability of subjecting, or continuing to subject, particular
9 articles, materials, or supplies, including technical data or
10 other information, to United States export controls should
11 be determined after review by and consultation with repre-
12 sentatives of appropriate United States Government agencies
13 and qualified experts from private industry.”

14 SEC. 104. Section 4 (b) of the Export Administration
15 Act of 1969 is amended—

16 (1) by inserting “(1)” after “(b)”; and

17 (2) by adding at the end thereof the following
18 new paragraphs:

19 “(2) The Secretary of Commerce, in cooperation with
20 appropriate United States Government departments and
21 agencies and the appropriate technical advisory committees
22 established under section 5 (c), shall undertake an investi-
23 gation to determine which articles, materials, and supplies,
24 including technical data and other information, should no
25 longer be subject to export controls because of their signifi-

1 cance to the national security of the United States. Notwith-
2 standing the provisions of paragraph (1), the Secretary
3 of Commerce shall remove unilateral export controls on the
4 export from the United States of articles, materials, or
5 supplies, including technical data or other information, which
6 he determines are available without restriction from sources
7 outside the United States in significant quantities and com-
8 parable in quality to those produced in the United States,
9 except that any such control may remain in effect if the
10 Secretary of Commerce determines that adequate evidence
11 has been presented to him demonstrating that the absence
12 of such a control would constitute a threat to the national
13 security of the United States. The nature of such evidence
14 shall be included in the special report required by paragraph
15 (4).

16 “(3) In conducting the investigation referred to in
17 paragraph (2) and in taking the action required under such
18 paragraph, the Secretary of Commerce shall give priority
19 to those controls which apply to articles, materials, and
20 supplies, including technical data and other information,
21 for which there are significant potential export markets.

22 “(4) Not later than six months after the date of
23 enactment of the Equal Export Opportunity Act, the Secre-
24 tary of Commerce shall submit to the President and to the

1 Congress a special report of actions taken under paragraphs
2 (2) and (3). Such report shall contain—

3 “(A) a list of any articles, materials, and supplies,
4 including technical data and other information, which
5 are subject under this Act to export controls greater
6 than those imposed by nations with which the United
7 States has defense treaty commitments, and the reasons
8 for such greater controls; and

9 “(B) a list of any procedures applicable to export
10 licensing in the United States which are more burden-
11 some than similar procedures utilized in nations with
12 which the United States has defense treaty commitments,
13 and the reasons for retaining such procedures in their
14 present form.”.

15 SEC. 105. Section 5 of the Export Administration Act
16 of 1969 is amended by adding at the end thereof the
17 following:

18 “(c) (1) The Secretary of Commerce shall appoint a
19 technical advisory committee for each group of articles,
20 materials, and supplies, including technical data and other
21 information, which—

22 “(A) is or may be made subject to export controls
23 because of its significance to the national security of
24 the United States; and

1 “(B) is difficult to evaluate for technical or stra-
2 tegic reasons.

3 Each such committee shall consist of representatives of United
4 States industry and government who may be appointed for ✓
5 terms of not more than two years. No person serving on
6 any such committee who is representative of industry shall ✓
7 serve on such committee for more than two consecutive
8 years.

9 “(2) It shall be the duty and function of the technical
10 advisory committees established under paragraph (1) to
11 advise and assist the Secretary of Commerce and any other
12 department, agency, or official of the Government of the
13 United States to which the President has delegated power,
14 authority, and discretion under section 4 (d) with respect to
15 actions designed to carry out the policy set forth in section 3
16 of this Act. Such committees shall be consulted with respect
17 to the level of United States export controls applicable to
18 all articles, materials, or supplies, including technical data
19 or other information, and including those whose export is
20 subject to multilateral controls undertaken in cooperation with
21 nations with which the United States has defense treaty com-
22 mitments. Such committees shall also be consulted and kept
23 fully informed of progress with respect to the investigation
24 required by section 4 (b) (2) of this Act. Nothing in this

1 subsection shall prevent the Secretary from consulting, at any
2 time, with any person representing industry or the general
3 public regardless of whether such person is a member of a
4 technical advisory committee. Members of the public shall
5 be given a reasonable opportunity, pursuant to regulations
6 prescribed by the Secretary of Commerce, to present evi-
7 dence to such committees.

8 “(3) Any member of any such committee who is not
9 an officer or employee of the United States shall be entitled
10 to receive compensation at not to exceed the daily rate
11 prescribed for GS-18 of the General Schedule under section
12 5332 of title 5, United States Code, during such time as he
13 is engaged in the performance of his duties as a member.
14 Each member may be reimbursed for travel, subsistence, and
15 other necessary expenses incurred in connection with his
16 duties as a member.

17 “(4) Each such committee shall elect a chairman, and
18 shall meet at the call of the Chairman but not less often
19 than four times each year.”

20 SEC. 106. Section 14 of the Export Administration Act
21 of 1969 is amended by striking out “August 1, 1972” and
22 inserting in lieu thereof “June 30, 1974”.

23 SEC. 107. Nothing in this title shall be construed to
24 require the release or publication of information which is
25 classified pursuant to Executive order or to affect the con-

1 confidentiality safeguards provided in section 7 (c) of the Ex-
2 port Administration Act of 1969.

3 TITLE II—COUNCIL ON INTERNATIONAL
4 ECONOMIC POLICY

5 SHORT TITLE

6 SEC. 201. This title may be cited as the “International
7 Economic Policy Act of 1972”.

8 STATEMENT OF PURPOSES

9 SEC. 202. It is the purpose of this title to provide for
10 closer Federal interagency coordination in the development
11 of a more rational and orderly international economic policy
12 for the United States.

13 FINDINGS AND POLICY

14 SEC. 203. The Congress finds that there are many activ-
15 ities undertaken by various departments, agencies, and in-
16 strumentalities of the Federal Government which, in the
17 aggregate, constitute the domestic and international eco-
18 nomic policy of the United States. The Congress further
19 finds that the objectives of the United States with respect
20 to a sound and purposeful international economic policy can
21 be better accomplished through the closer coordination of
22 (1) domestic and foreign economic activity, and (2) in
23 particular, that economic behavior which, taken together,
24 constitutes United States international economic policy.

1 Therefore this Act establishes a Council on International
2 Economic Policy which will provide for—

3 (A) a clear top level focus for the full range of
4 international economic issues; deal with international
5 economic policies including trade, investment, balance
6 of payments, and finance as a coherent whole;

7 (B) consistency between domestic and foreign eco-
8 nomic policy; and

9 (C) close coordination with basic foreign policy
10 objectives.

11 The Congress intends that the Council shall be provided with
12 the opportunity to (i) investigate problems with respect
13 to the coordination, implementation, and long-range de-
14 velopment of international economic policy, and (ii) make
15 appropriate findings and recommendations for the purpose
16 of assisting in the development of a rational and orderly
17 international economic policy for the United States.

18 CREATION OF COUNCIL ON INTERNATIONAL ECONOMIC
19 POLICY

20 SEC. 204. There is created in the Executive Office of
21 the President a Council on International Economic Policy
22 (hereinafter referred to in this title as the "Council").

23 MEMBERSHIP

24 SEC. 205. The Council shall be composed of the fol-
25 lowing members and such additional members as the Presi-
26 dent may designate:

- 1 (1) The President.
- 2 (2) The Secretary of State.
- 3 (3) The Secretary of the Treasury.
- 4 (4) The Secretary of Defense.
- 5 (5) The Secretary of Agriculture.
- 6 (6) The Secretary of Commerce.
- 7 (7) The Secretary of Labor.
- 8 (8) The Director of the Office of Management
- 9 and Budget.
- 10 (9) The Chairman of the Council of Economic
- 11 Advisers.
- 12 (10) The Special Representative for Trade Nego-
- 13 tiations.

14 The President shall be the Chairman of the Council and
15 shall preside over the meetings of the Council; in his ab-
16 sence he may designate a member of the Council to preside
17 in his place.

18 DUTIES OF THE COUNCIL

19 SEC. 206. Subject to the direction of the President, and
20 in addition to performing such other functions as he may
21 direct, it shall be the duty of the Council to—

- 22 (1) assist and advise the President in the prepara-
- 23 tion of the International Economic Report required
- 24 under section 207;
- 25 (2) review the activities and the policies of the

1 United States Government which indirectly or directly
2 relate to international economics and, for the purpose of
3 making recommendations to the President in connection
4 therewith, consider with some degree of specificity the
5 substance and scope of the international economic policy
6 of the United States, which consideration shall include
7 examination of the economic activities of (A) the vari-
8 ous agencies, departments, and instrumentalities of the
9 Federal Government, (B) the several States, and (C)
10 private industry;

11 (3) collect, analyze, and evaluate authoritative in-
12 formation, current and prospective, concerning interna-
13 tional economic matters;

14 (4) consider policies and programs for coordinating
15 the activities of all the departments and agencies of
16 the United States with one another for the purpose of
17 accomplishing a more consistent international economic
18 policy, and make recommendations to the President in
19 connection therewith;

20 (5) continually assess the progress and effective-
21 ness of Federal efforts to carry out a consistent inter-
22 national economic policy; and

23 (6) make recommendations to the President for
24 domestic and foreign programs which will promote a
25 more consistent international economic policy on the part

1 of the United States and private industry. Recommenda-
2 tions under this paragraph shall include, but shall not be
3 limited to, policy proposals relating to monetary mecha-
4 nisms, foreign investment, trade, the balance of pay-
5 ments, foreign aid, taxes, international tourism and avia-
6 tion, and international treaties and agreements relating
7 to all such matters. In addition to other appropriate
8 objectives, such policy proposals should be developed
9 with a view toward—

10 (A) strengthening the United States competi-
11 tive position in world trade;

12 (B) achieving equilibrium in international pay-
13 ment accounts of the United States;

14 (C) increasing exports of goods and services;

15 (D) protecting and improving the earnings of
16 foreign investments;

17 (E) achieving freedom of movement of people,
18 goods, capital, information, and technology on a
19 reciprocal and worldwide basis; and

20 (F) increasing the real employment and in-
21 come of workers and consumers on the basis of
22 international economic activity.

23 REPORT

24 SEC. 207. (a) The President shall transmit to the Com-
25 mittee on Banking, Housing and Urban Affairs of the Senate,

1 the Committee on Banking and Currency of the House of
2 Representatives, and the Joint Economic Committee an
3 annual report on the international economic position of the
4 United States. Such report (hereinafter referred to as the
5 "International Economic Report") shall be submitted not
6 later than sixty days after the beginning of each regular
7 session of the Congress, and shall include—

8 (1) information and statistics describing character-
9 istics of international economic activity and identifying
10 significant current and foreseeable trends and develop-
11 ments;

12 (2) a review of the international economic program
13 of the Federal Government and a review of domestic
14 and foreign economic conditions and other significant
15 matters affecting the balance of international payments
16 of the United States and of their effect on the inter-
17 national trade, investment, financial, and monetary posi-
18 tion of the United States; and

19 (3) a program for carrying out the policy objec-
20 tives of this title, together with such recommendations for
21 legislation as he may deem necessary or desirable.

22 (b) The President may transmit from time to time to
23 the Congress reports supplementary to the International
24 Economic Report, each of which may include such supple-
25 mentary or revised recommendations as he may deem neces-

1 sary or desirable to achieve the purposes and policy objec-
2 tives set forth in this title.

3 EXECUTIVE DIRECTOR AND STAFF OF THE COUNCIL

4 SEC. 208. (a) The staff of the Council shall be headed
5 by an Executive Director who shall be appointed by the
6 President. It shall be the duty of the Executive Director to—

7 (1) direct the activities of the Council staff,

8 (2) develop the agenda and supporting materials
9 for Council meetings and review all matters before the
10 Council, and

11 (3) establish a work program, including topics and
12 the selection of individuals to carry out particular
13 assignments.

14 (b) (1) With the approval of the Council, the Execu-
15 tive Director may appoint and fix the compensation of such
16 staff personnel as he deems necessary. Except as provided
17 in paragraph (2), the staff of the Council shall be ap-
18 pointed subject to the provisions of title 5, United States
19 Code, governing appointments in the competitive service,
20 and shall be paid in accordance with the provisions of chap-
21 ter 51 and subchapter III of chapter 53 of such title re-
22 lating to classification and General Schedule pay rates.

23 (2) With the approval of the Council, the Executive
24 Director may appoint and fix the compensation of one officer
25 at a rate of basic compensation not to exceed the rate pro-

1 vided for level IV of the Federal Executive Salary Sched-
2 ule, and appoint and fix the compensation of two officers
3 at rates of basic compensation not to exceed the rate pro-
4 vided for level V of the Federal Executive Salary Schedule.

5 (c) With the approval of the Council, the Executive
6 Director may procure temporary and intermittent services
7 to the same extent as is authorized by section 3109 of title 5,
8 United States Code, at rates not to exceed the daily equiva-
9 lent of the rate provided for GS-18.

10 (d) Upon request of the Executive Director, the head
11 of any Federal agency is authorized to detail, on a reim-
12 bursable basis, any of its personnel to the Council to assist
13 it in carrying out its duties under this title.

14 (e) Section 5313 of title 5, United States Code (re-
15 lating to positions at level II of the Executive Schedule),
16 is amended by adding at the end thereof the following:

17 (22) Executive Director, Council on International
18 Economic Policy."

19 AUTHORIZATION FOR APPROPRIATIONS

20 SEC. 209. For the purpose of carrying out the provisions
21 of this title, there are authorized to be appropriated not to
22 exceed \$1,400,000 for fiscal year 1973, and not to exceed
23 \$1,600,000 for fiscal year 1974.

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